12-4-89

cc: T. Carlson
 T. Plessinger
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RIO ALGOM MINING CORP.
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from Brian Mathis

R_u 12/1/59

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COVER PAGE

PLEASE DELIVER THE FOLLOWING PAGE(S) TO:

NAME: _Peter Mygatt_

FROM: _R.S. Pattison_

REGARDING: _Monticello Remedial Action Project_
Draft RI/FS – Comments

A TOTAL OF ___4___ PAGES WILL BE TRANSMITTED, INCLUDING THIS COVER PAGE.

DATE: ___12-1-89___ TIME MESSAGE STARTED: _____

OPERATOR: _JW_

RIO ALGOM MINING CORP.

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November 25, 1989

Mr. Peter Mygatt
Public Relations Specialist
U. S. Department of Energy
Grand Junction Projects Office
P. O. Box 2567
Grand Junction, CO 81502

Re: Public comments on the Monticello Remedial Action Project
Draft RI/FS.

Dear Mr. Mygatt:

By consolidating the Monticello tailings into the existing lower tailings impoundment at our Lisbon Operation we believe we can help you to:
(1) Save money
(2) Eliminate a disposal site
(3) Complete the project earlier

We are specifically interested in helping you to reduce taxpayer cost for the major portion of remedial action associated with Operable Unit I of the Monticello Superfund Site. Rio Algom already has the required two million cubic yards of storage volume in place at the Lisbon Operation's lower tailings impoundment to accept the Monticello tailings. Some changes in Lisbon's reclamation plan together with an NRC license amendment would be required. The possible cost effectiveness may be indicated by the following table of DOE's potential costs (in $1000):

	Alt. 1	Alt. 2	Lisbon Disposal
DIRECT COSTS			
SITE PREPARATION			
Mill Site	739	739	739
Repository	7161	7117	0
REMEDIAL ACTION			
Mill site	7348	19503	0
Repository	7478	7753	0
RESTORATION			
Mill site	2126	7627	2126
Repository	2359	2359	0
Subtotal	27211	45098	2865
Mob./demob. (3%)	816	1353	86
Total direct costs	28027	46451	2951

	Alt. 1	Alt. 2	Lisbon Disposal
INDIRECT COSTS (As % of direct cost)			
1. Final Design (10%)	2803	4645	295
2. Legal, etc. (3%)	841	1395	89
3. Construction Mgt. (20%)	5605	9290	590
4. Gen. & admin. (22%)	6166	10219	649
Total indirect costs	15415	25549	1623
Subtotal	43442	72000	4574
Contingency-20% of subtotal	8688	14400	915
	52130	86400	5489
RAMC charge to remove (est.)	0	0	40000
Total project cost	52130	86400	45489

The above estimate of Rio Algom's charge to remove the
Monticello tailings is based on the quantities used in Tables C-1
and C-4 of the Feasibility Study and does not represent a bid to
do this work. It is merely to show that we could be competitive
and could provide a viable alternative.

One of the main advantages of disposing the Monticello
tailings at Lisbon would be the elimination of a disposal site:
Alternate 1 requires a new site close to the City of Monticello
and Alternate 2 requires an additional repository at White Mesa.
If the Monticello tailings are disposed in Lisbon's lower
tailings impoundment no new repository is required.

If the DOE is interested in getting the project completed
sooner than 1995 we believe we could be ready to accept the
tailings as soon as April 1990 and complete our part of the work
within three years, thus enabling the DOE to complete the project
by December 1993.

In regard to your request for public comments, my first
comments are in reference to Tables C-1 and C-4 of your
Feasibility Study. I can not believe that indirect costs should
amount to 86% of the total direct project costs. This amounts to
$24 million for your preferred alternative and $40 million for
the only other alternative you studied in detail. An awful lot
of money, no matter which way you look at it!
There are also other questions that taxpayers should ask
about these cost tables. For instance, on page 3-10 of the
Feasibility Study you say that the increase in cost for the White
Mesa alternative is due solely to increased transportation costs.
Why, then, is there a difference of $5.5 million in the cost of
the millsite restoration between your preferred alternative and
the White Mesa alternative? Surely, the restoration of the
(Monticello, I presume) millsite is independent of transportation
costs as mentioned on page 3-10. If not, surely cheaper

restoration dirt than $12.25 and $13.00 per cubic yard is available! Please explain these cost differences and provide us with a full explanation of how you arrived at all the costs in Tables C-1 and C-4.

My next comments concern how DOE/UNC Geotech have handled the project thus far, from my perspective. I have written twice to the Grand Junction office, notifying you of Rio Algom's interest in the disposal of the Monticello tailings: In March 1986 and May 1988. I received no reply to either of these letters. I have also tried to contact the "right" persons by telephone on several occasions, but with no luck as my calls were never answered or returned. And then, at the public meeting in Monticello on 16 November 1989, I couldn't help but get the impression that the decision of how these tailings are to be disposed has already been made. Fortunately, I was finally notified on the 10th of November 1989 of the recent availability of the Draft RI/FS and the Monticello meeting.

My final comments concern your proposed action for groundwater cleanup: passive restoration. Licensed uranium mills, such as Rio Algom's Lisbon Operations, are expected to accelerate groundwater cleanup, why shouldn't the DOE?

I appreciate the opportunity to comment on this important subject. If you have any questions on the foregoing, or require additional information, please call me at (801) 686-2216.

Yours sincerely,

R. S. Pattison

RSP:tw

Cc: R. P. Luke
     B. K. Reaveau
     P. S. Mushovic, EPA Region VIII
     R. McLeod, Utah Bureau of Solid & Hazardous Waste